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Department of Health Care Services



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DATE: July 9, 2013

TO: ALL INTERESTED PARTIES

SUBJECT: Update on Medi-Cal Managed Care Expansion and Healthy Families Program Transition

The following announcement is being released by the Department of Health Care Services (DHCS) regarding the transition of Healthy Families Program children to Medi-Cal and the expansion of Medi-Cal managed care in the 28 primarily rural fee-for-service (FFS) counties. As proposed in the budget, the transition of these populations to managed care will begin September 1, 2013. However, the transition will be implemented in phases in order to ensure the readiness of our contracted health plans and to minimize any disruption in services to our beneficiaries. These two initiatives are interrelated so the below bullets outline DHCS' updated transition plan for both:

- *Phase 4 of the Healthy Families Program transition* will begin on September 1, 2013, for the eight (8) County Organized Health System (COHS) counties (Del Norte, Humboldt, Lake, Lassen, Modoc, Shasta, Siskiyou, and Trinity). DHCS is evaluating health plan readiness to minimize disruption of services and ensure continuity of care.
- In these 8 COHS counties, the existing FFS populations will be enrolled in the COHS at the same time. Since these are COHS counties, the populations to be enrolled include Temporary Assistance for Needy Families (TANF), seniors and persons with disabilities (SPD), and dual eligible (DE) populations. Second, enrollees will receive all COHS benefits with one exception: Enrollees receiving Community-Based Adult Services (CBAS) will be enrolled with the COHS, but will continue to receive CBAS through the FFS program. The CBAS benefit will convert to a managed care benefit sometime in 2014. Lastly, although DEs are enrolled in the COHS model, they only receive Medi-Cal covered services from the COHS and will continue to receive their Medicare service from Medicare.
- *A new Phase 4b of the Healthy Families Program transition* will begin November 1, 2013 in order to ensure the readiness of our contracted health plans and to minimize any disruption in services to our beneficiaries in the remaining 20 counties (Alpine, Amador, Butte, Calaveras, Colusa, El Dorado, Glenn, Imperial, Inyo, Mariposa, Mono, Nevada, Placer, Plumas, Sierra, San Benito, Sutter, Tehama, Tuolumne, and Yuba).

- For consistency and to ensure the readiness and network adequacy of the health plans in these 20 counties, Managed Care Expansion will also occur on November 1. In these counties, the TANF population will be mandatory. The DE population will be voluntary indefinitely, but the SPD population will become mandatory sometime in 2014. Similar to the COHS counties, the CBAS benefit will be paid by the FFS program at implementation and convert to a managed care benefit sometime in 2014. Modifying this schedule for the 20 counties allows health plans to continue to grow their networks to serve the transitioning populations.

September 1, 2013: Del Norte, Humboldt, Lake, Lassen, Modoc, Shasta, Siskiyou, and Trinity

Approximate number of Healthy Families children that will transition: 8,000
Approximate number of Medi-Cal beneficiaries transitioning to the managed care plan: 103,000

November 1, 2013: Alpine, Amador, Butte, Calaveras, Colusa, El Dorado, Glenn, Imperial, Inyo, Mariposa, Mono, Nevada, Placer, Plumas, San Benito, Sierra, Sutter, Tehama, Tuolumne and Yuba

Approximate number of Healthy Families children that will transition: 27,000
Approximate number of mandatory Medi-Cal beneficiaries transitioning to a managed care plan: 175,000
Approximate number of voluntary Medi-Cal beneficiaries eligible to choose a managed care plan: 84,000

Additional details are available on the Healthy Families transition and the expansion of Medi-Cal managed care at:

<http://www.dhcs.ca.gov/provgovpart/Pages/MMCDRuralExpansion.aspx>

<http://www.dhcs.ca.gov/services/Pages/HealthyFamiliesTransition.aspx>

Department of Health Care Services
Medi-Cal Managed Care Division